

Amend **SB 398** (house committee printing) on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter C, Chapter 39, Utilities Code, is amended by adding Section 39.1015 to read as follows:

Sec. 39.1015. CONSUMER PROTECTIONS FOR CERTAIN DISTRIBUTED RENEWABLE GENERATION AND ELECTRIC STORAGE RESOURCES. (a) A residential or small commercial customer is entitled to have access to distributed renewable generation and energy storage resources to:

(1) generate and export electricity to the grid;  
(2) consume electricity from the grid; and  
(3) reduce the customer's use of electricity from the grid.

(b) A residential or small commercial customer is entitled to store energy at the location of the customer's connection to the grid.

(c) A residential or small commercial customer that installs a distributed renewable generation or energy storage resource is entitled to timely approval of an interconnection agreement and interconnection of the distributed renewable generation or energy storage resource with the customer's transmission and distribution utility or electric utility in accordance with Section 39.554 or 39.916, as applicable. A residential or small commercial customer is entitled to timely approval of any permission to operate or any other approval required for the customer to use the customer's distributed renewable generation or energy storage resource.

(d) A residential or small commercial customer is entitled to timely notice from the customer's transmission and distribution utility or electric utility of an improvement and the cost of the improvement to the distribution grid that must be made to allow the customer to install or expand existing distributed renewable generation or energy storage resources.

(e) Except for a charge to recover a cost described by Subsection (d), an electric utility or a retail electric provider may not impose a rate or charge on a residential or small commercial

customer or require a residential or small commercial customer to take service under a tariff or service plan that applies only to customers who have installed distributed renewable generation or energy storage resources.

(f) An electric utility or a retail electric provider may not charge a residential or small commercial customer a fee solely because the customer elects to discontinue service from the utility or provider.

(g) An electric utility may not charge a residential or small commercial customer with a distributed renewable generation or energy storage resource a fee to reconnect to the electric grid that is more than the fee charged to a customer in the same rate class who does not have a distributed renewable generation or energy storage resource, except the interconnection fee applicable to the original installation of the distributed renewable generation or energy storage resource.

(h) A residential or small commercial customer is entitled to interconnect in a manner that allows the customer to receive power from the customer's energy storage resource when the electric grid is not operating if the customer's distributed renewable generation resource is equipped with an inverter or other technology that complies with a standard developed by a federal agency or standards widely used by industry and other states that enables the distributed renewable generation resource to safely provide power to the customer when the electric grid is not operating.

(i) A residential or commercial customer who installs a distributed renewable generation or energy storage resource, regardless of ownership or financing structure of the resource, is entitled to the same interconnection rules, metering rules and programs, and incentive programs that may be provided to other customers by the retail electric provider, transmission and distribution utility, municipally owned utility, or electric cooperative that serves the customer.

(j) The commission by rule shall provide standards for billing and crediting mechanisms for distributed renewable generation resources. The standards must:

(1) calculate the value and benefits of distributed renewable generation resources, considering the benefits of distributed renewable generation to the distribution grid, including time-based and performance-based benefits, technology capabilities, increased resiliency, and present and future grid needs;

(2) ensure that the billing and crediting mechanism is understandable and easy to use for customers; and

(3) be applicable to a customer with distributed renewable generation installed in any part of this state, regardless of whether the customer is served by a retail electric provider, transmission and distribution utility, municipally owned utility, or an electric cooperative.

SECTION \_\_\_\_\_. The Public Utility Commission of Texas shall adopt rules required by Section 39.1015(j), Utilities Code, as added by this Act, not later than September 1, 2022.